

CAMPAIGN SPENDING COMMISSION

STATE OF HAWAII

In Re the Matter of)	CA NO. 01-11
)	
GENTRY HOMES, LTD.,)	
GENTRY INVESTMENT PROPERTIES,)	
THE GENTRY COMPANIES,)	
TOSH HOSODA, NORMAN H. DYER,)	
HAWAII OCEAN RECREATION PAC,)	
And SENSIBLE LAND USE PAC)	
)	
)	
Respondents)	
_____)	

CONCILIATION AGREEMENT

On or around November 2001, Jon S. Itomura, General Counsel for the Campaign Spending Commission ("Commission"), initiated an investigation of Respondents Gentry Homes, Ltd., Gentry Investment Properties, and political action committees Sensible Land Use PAC and Hawaii Ocean Recreation PAC (to be collectively referred to as "Gentry"), pursuant to the express authority of section 11-193, Hawaii Revised Statutes ("HRS"), for a determination of whether the campaign spending law had been violated and a complaint would be submitted to the Commission.

NOW, THEREFORE, Gentry and the Commission, having entered into conciliation and pursuant to section 11-216 (g) HRS do hereby agree as follows:

- I. That the Commission has jurisdiction over Respondents and the subject matter of this administrative action.
- II. That this Conciliation Agreement ("Agreement") and upon complete performance of the conditions stated herein has the effect of remedial or corrective action taken by Respondents pursuant to section 11-216 (g) HRS.
- III. That Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- IV. That Respondents waive the right to be heard at a public hearing conducted under Chapter 91 HRS, pursuant to section 11-228 (b) HRS.
- V. That respondents enter into this agreement with the Commission on their own volition and with full knowledge and understanding.
- VI. The parties agree to the pertinent facts as follows:
 1. On or around November, 2001, Jon S. Itomura, in his capacity as General Counsel for the Campaign Spending Commission, and upon information received through

- the Campaign Spending Disclosure Statements of the Sensible Land Use PAC (“SLU”) and the Hawaii Ocean Recreation PAC (“HOR”), initiated an investigation involving excess contributions in violation of section 11-204 (a) (3) HRS.
2. Section 11-204 (a) (3) provides in pertinent part as follows: No person, other than a candidate for the candidate's own campaign, or any other entity shall make contributions to:...(3) A candidate seeking nomination or election to a four-year non-statewide office or to the candidate's committee in an aggregate amount greater than \$4,000 during an election period.
 3. Section 11-204(f), HRS, provides in pertinent part as follows:
All payments made by a person or political party whose contributions or expenditure activity is financed, maintained, or controlled by any corporation, labor organization, association, political party, or any other person or committee, including any parent, subsidiary, branch, division, department, or local unit of the corporation, labor organization, association, political party, political committees established and maintained by a national political party, or any other person, or by any group of those persons shall be considered to be made by a single person or political party.
 4. Section 11-204(h), HRS, provides as follows: An individual and any general partnership in which the individual is a partner, or an individual and any corporation in which the individual owns a controlling interest, shall be treated as one person.
 5. Section 11-204(i), HRS, provides as follows: No committee which supports or opposes a candidate for public office shall have as officers individuals who serve as officers on any other committee which supports or opposes the same candidate. No such committee shall act in concert with, or solicit or make contributions on behalf of, any other committee.
 6. Sensible Land Use PAC (“SLU”) last filed an organizational report with the Commission on July 23, 1999. That organizational report identified Norman H. Dyer as chair, Carole K. Miyamoto as treasurer, and Gentry Homes, Ltd. as the sole sponsor.
 7. Hawaii Ocean Recreation PAC (“HOR”) last filed an organizational report with the Commission on July 23, 1999. That organizational report identified Tosh Hosoda as chair, Carole K. Miyamoto as treasurer, and Gentry Homes, Ltd. as the sole sponsor.
 8. SLU and HOR both list P.O. Box 295, Honolulu, HI 96809 as a mailing address.
 9. SLU and HOR both identify the Bank of Hawaii, Ward Plaza Branch, Honolulu, Hawaii as the depository for both committees.
 10. For the period covering 1996 through 2001, Gentry Homes, Ltd. has contributed \$50,500 to SLU.
 11. For the period covering 1996 through 2001, Gentry Investment Properties has contributed \$10,500 to SLU.
 12. For the period covering 1996 through 2001, Gentry Homes, Ltd. has contributed \$92,000 to HOR.
 13. For the period covering 1996 through 2001, Gentry Investment Properties has contributed \$13,000 to HOR.

14. For the election period covering 1996 through 2000, SLU and HOR contributed an aggregate of \$10,000 to Mayor Jeremy Harris, exceeding the contribution limit by \$6,000 by providing at least five additional checks after the initial \$4,000 contribution in or around November 1996.
15. On December 31, 1997 and for the election period covering 1996 through 2000, Tosh Hosoda contributed \$1,000 to Mayor Jeremy Harris.
16. On December 31, 1997 and for the election period covering 1996 through 2000, Norman Dyer contributed \$1,000 to Mayor Jeremy Harris.
17. For the election period covering 1994 through 1998, SLU and HOR contributed an aggregate of \$6,000 to Councilman John DeSoto, exceeding the contribution limit by \$2,000.
18. On June 18, 1998 and for the election period covering 1994 through 1998, Tosh Hosoda contributed \$500 to Councilman John DeSoto.
19. On June 18, 1998 and for the election period covering 1994 through 1998, Norman Dyer contributed \$500 to Councilman John DeSoto.
20. For the election period covering 1994 through 1998, SLU and HOR contributed an aggregate of \$4,000 to mayoral candidate Mufi Hanneman.
21. On June 8, 1998 and for the election period covering 1994 through 1998, Norman Dyer contributed \$1,000 to mayoral candidate Mufi Hanneman.
22. Mr. Tosh Hosoda represented that none of the aforementioned excess contributions were knowing or intentional attempts to circumvent the campaign spending laws and that those individuals making the contributions stated above did so of their own accord and were not reimbursed by Gentry for such contributions.

VII. Settlement Terms

As final settlement of the matters and issues in the Conciliation Agreement, Docket No. "CA 01-11" Gentry understands and agrees to the following:

- (A) Gentry agrees to an assessment of **Five Thousand Five Hundred dollars (\$5,500.00)** pursuant to section 11-228 HRS.
 - (1) For seven separate occurrences, resulting in the violation of section 11-204(a)(3), HRS, making excess campaign contributions to several candidates including the DeSoto, Hannemann and Harris campaign committees; and
 - (2) For one occurrence in violation of section 11-204(i), HRS, involving an individual officer serving on more than one committee.
- (B) Gentry agrees to accurately file required disclosure reports on campaign contributions and expenditures through a single non-candidate committee clearly identified as Gentry.
- (C) Terms of payment of the assessment shall be by order of the Commission.

- VIII. The Commission upon its own motion or a written request of anyone filing a complaint under section 11-216 HRS, may review compliance with the agreement. If the commission believes that the Agreement has been violated, it may institute administrative proceedings or a civil action in the Circuit Court of the First Circuit pursuant to section 11-228 (c) HRS.
- IX. This agreement shall become effective as of the date that all parties have signed and the Commission has approved the entire agreement.
- X. This Conciliation Agreement constitutes the entire agreement between the Gentry and the Commission on the matters raised herein, and no other statement, promise, or agreement, either in writing or oral, not contained in this Conciliation Agreement made by either party or by agents of either party shall be enforceable.
- XI. This Conciliation Agreement, unless violated, shall be a complete bar to any further action by the Commission with respect to the violations at issue in this matter.

FOR THE COMMISSION:

Robert Y. Watada
Executive Director

Date

FOR THE RESPONDENTS:

Gentry Homes, Ltd. and Gentry Investment Properties,

By: _____
Name/Title

Date